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USTR FOR B HIRSH, D SHACKLFORD, STATE FOR IO, EB

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TAGS: [EAID](#) [ECON](#) [ETRD](#) [UNCTAD](#)

SUBJECT: UNCTAD DEPUTY POSITION - SYG BAN TO CONSULT WITH
NEW ADMINISTRATION

¶1. (SBU) SUMMARY: IN A JANUARY 12 MEETING WITH AMBASSADOR TICHENOR, UNCTAD SECRETARY GENERAL DR. SUPACHAI EXPRESSED HIS CONTINUED STRONG SUPPORT FOR HIS ACTING DEPUTY LAKSHMI PURI (INDIAN) AND FRUSTRATION THAT SYG BAN KI MOON HAS NOT YET APPOINTED HER TO THE POSITION. SUPACHAI SAID SYG BAN WAS WAITING TO MAKE THE APPOINTMENT UNTIL AFTER HE HAD SPOKEN WITH THE INCOMING U.S. ADMINISTRATION. AMB. TICHENOR STRONGLY REITERATED THE DEVELOPED COUNTRIES, POSITION THAT UNCTAD NEEDS A DEPUTY FROM A DEVELOPED COUNTRY IN ORDER TO MAINTAIN A BALANCED LEADERSHIP STRUCTURE AND FULFILL ITS CONSENSUS BUILDING MANDATE. AMB. TICHENOR ALSO EXPRESSED FULL USG SUPPORT FOR IO DAS GERRY ANDERSON,S CANDIDACY. WHILE SUPACHAI EXPRESSED APPRECIATION FOR DAS ANDERSON'S ENGAGEMENT WITH UNCTAD, THE AMBASSADOR'S ENTREATIES FELL ON DEAF EARS. DR SUPACHAI RESPONDED THAT PURI HAS BEEN ACTING DEPUTY FOR MORE THAN A YEAR AND IS "DOING THE JOB PERFECTLY" SO HAS EARNED THE POSITION, AND THAT HE HAD SPOKEN WITH THE G-77 AND THEY WOULD NOT ACCEPT AN AMERICAN AS DEPUTY. END SUMMARY.

¶2. (SBU) ON JANUARY 12, AMB. TICHENOR USED HIS FAREWELL COURTESY CALL ON UN CONFERENCE ON TRADE AND DEVELOPMENT (UNCTAD) SECRETARY GENERAL (SYG) SUPACHAI TO REINFORCE USG SUPPORT FOR IO DAS ANDERSON,S CANDIDACY FOR DEPUTY AND TO REQUEST AN UPDATE ON THE STATUS OF THE DEPUTY POSITION.

UNCTAD DEPUTY POSITION

¶3. (SBU) DR. SUPACHAI SAID THAT HE HAD TALKED WITH SYG BAN IN DOHA ABOUT THE UNCTAD DEPUTY POSITION AND THAT BAN SAID HE WANTED TO TALK WITH THE NEW U.S. ADMINISTRATION BEFORE MAKING A DECISION ON THE APPOINTMENT. SUPACHAI MADE HIS MOST FORCEFUL PITCH FOR LAKSHMI PURI TO DATE. HE SAID &LAKSHMI HAS BEEN DOING THE WORK PERFECTLY FOR MORE THAN A YEAR AND THAT WE CAN,T JUST OVERLOOK HER.8 IF SUPACHAI HAD BEEN GIVEN A CLEAN SLATE (E.G. DONE A DEPUTY SEARCH WITHOUT LAKSHMI ALREADY IN THE POSITION), HE COULD HAVE FOCUSED ON GEOGRAPHIC BALANCE, AND HE OR HIS SUCCESSOR CAN LOOK AT THAT BALANCE AGAIN AFTER LAKSHMI HAS COMPLETED HER TERM.

¶4. (SBU) IN RESPONSE TO AMB. TICHENOR,S COMMENT THAT IT SOUNDED LIKE &THE DIE IS CAST,8 SUPACHAI SAID THAT HE WAS NOT SURE THAT SYG BAN WOULDN,T OVER-RIDE HIM BUT THAT HE HOPED BAN WOULD MAKE A DECISION SOON. IF BAN WENT AGAINST HIM, SUPACHAI SAID HE WOULD HAVE TO OPEN ANOTHER LONG PROCESS TO FIND A DEPUTY AND THAT THIS WOULD BE VERY COMPLICATED SINCE SUPACHAI,S OWN TERM WILL END IN AUGUST (MISSION COMMENT: SUPACHAI,S TERM WILL END IN AUGUST 2009 UNLESS HE IS ASKED TO EXTEND BY SYG BAN AND THAT EXTENSION IS APPROVED BY THE UN GENERAL ASSEMBLY. END COMMENT). THEREFORE, SUPACHAI CONCLUDED THE BEST THING WOULD BE TO ACCEPT PURI AS DEPUTY FOR A ONE OR TWO YEAR TERM OR WHATEVER PERIOD THEY GIVE HER.

¶5. (SBU) AMB. TICHENOR EMPHASIZED THE IMPORTANCE OF A BALANCED DEVELOPED AND DEVELOPING COUNTRY LEADERSHIP IN UNCTAD SEVERAL TIMES, BUT THE ARGUMENT SEEMED TO FALL ON DEAF EARS. SUPACHAI SAID THE OVERALL BALANCE WITHIN UNCTAD IS TILTED TOWARDS GROUP B, AND THAT G-77 HAD REMINDED HIM THAT THE G-77 WAS RESPONSIBLE FOR BRINGING THE DEPUTY POSITION BACK TO UNCTAD. SUPACHAI SAID HE LOOKED AT THREE FACTORS WHEN CHOOSING HIS DEPUTY: GENDER, MERITS AND GEOGRAPHIC BALANCE. &LAKSHMI PURI DOESN,T HAVE ONE OF THE THREE (GEOGRAPHIC

BALANCE) BUT THE OTHERS DON,T HAVE TWO OF THE THREE.8

¶6. (SBU) REGARDING IO DAS GERRY ANDERSON,S CANDIDACY, SUPACHAI SAID HE CONSIDERED ANDERSON A FRIEND AND DESCRIBED HIM AS "GOOD, KIND AND CONSTRUCTIVE." SUPACHAI SAID HE APPRECIATED ANDERSON'S ENGAGEMENT WITH UNCTAD OVER THE YEARS. HE ALSO EXPRESSED GREAT APPRECIATION FOR THE UNITED STATES UNPRECEDENTED INTEREST IN UNCTAD BUT SAID THAT THE G-77 WOULD NOT ACCEPT AN AMERICAN DEPUTY. (MISSION COMMENT: UNLIKE THE UNCTAD SYG POSITION, THE DEPUTY POSITION DOES NOT REQUIRE UNGA CONFIRMATION. SG BAN CAN APPOINT WHOEVER HE CHOOSES AS DEPUTY. HOWEVER, IF SUPACHAI SUPPORTED A DEPUTY THAT THE G-77 REJECTED, THE G-77 COULD RETALIATE BY NOT SUPPORTING SUPACHAI,S OWN REAPPOINTMENT AS SECRETARY GENERAL. END COMMENT)

LOOKING AHEAD - UNCTAD

¶7. (SBU) SUPACHAI SAID UNCTAD'S FOCUS OVER THE NEXT SIX MONTHS WILL BE LOOKING AT HOW THE FINANCIAL CRISIS IS AFFECTING DEVELOPING COUNTRIES, WHICH ARE EXPERIENCING, AND WILL EXPERIENCE, THE CRISIS THROUGH REDUCED TRADE AND INVESTMENT WITH DEVELOPED COUNTRIES. HE SAID IT IS CRITICAL THAT DEVELOPING COUNTRIES KEEP THEIR MARKETS OPEN FOR SOUTH-SOUTH TRADE. HE EXPRESSED CONCERN THAT COUNTRIES MAY TRY TO MANIPULATE EXCHANGE RATES TO BECOME MORE COMPETITIVE. SUPACHAI SAID HE IS LOOKING AT THE COPENHAGEN CONSENSUS (DEVELOPMENT SOLUTIONS ADVOCATED BY ECONOMISTS TO 10 GLOBAL

CHALLENGES) AS A SOURCE FOR EFFECTIVELY PRIORITIZING USE OF OFFICIAL DEVELOPMENT ASSISTANCE. SUPACHAI IS WORKING WITH THE WORLD HEALTH ORGANIZATION TO HELP ENCOURAGE IMPLEMENTATION OF THE FIRST COPENHAGEN CONSENSUS, RECOMMENDATION (MICRONUTRIENT SUPPLEMENTS FOR CHILDREN, VITAMIN A TO ZINC).

BACKGROUND AND COMMENT

¶8. (C) BACKGROUND: IN NOVEMBER 2007 THE DIRECTOR OF THE TRADE DIVISION AT UNCTAD, LAKSHMI PURI, BECAME THE ACTING DEPUTY AND HAS SERVED IN BOTH POSITIONS SINCE THEN. IN JUNE 2008, DR. SUPACHAI ASKED DEVELOPED COUNTRIES TO PUT FORWARD CANDIDATES FOR THE UNCTAD DEPUTY POSITION AND SPECIFICALLY TOLD THE US AND EU THAT HE INTENDED TO APPOINT A DEVELOPED COUNTRY CANDIDATE AS DEPUTY. IN SEPTEMBER 2008, DR. SUPACHAI,S SENIOR ADVISOR KOBASAK INFORMED MISSION OFFICERS THAT DAS ANDERSON WAS THE BEST OF THE FIVE GROUP B AND EU CANDIDATES, BUT THAT UNCTAD'S MEMBERSHIP WAS NOT READY FOR AN AMERICAN DEPUTY; INSTEAD SUPACHAI HAD CHOSEN THE ACTING DEPUTY LAKSHMI PURI (INDIAN) FOR THE POST. THE US INFORMED GROUP B OF THIS DECISION, WHICH GENERATED LETTERS OF PROTEST FROM THE EU, GROUP B AND JUSCANZ THAT UNCTAD SHOULD HAVE A DEPUTY FROM A DEVELOPED COUNTRY IN ORDER TO: MAINTAIN A BALANCED LEADERSHIP STRUCTURE, FULFIL UNCTAD,S CONSENSUS BUILDING MANDATE, AND ATTRACT VOLUNTARY FUNDING. THE AFRICA GROUP AND LATIN AMERICA GROUP ALSO INFORMED SUPACHAI THAT THEY HAD NOT BEEN CONSULTED REGARDING THE G-77 EXPRESSION OF SUPPORT FOR PURI AND THUS THERE WAS NO CONSENSUS G-77 POSITION ON LAKSHMI PURI,S CANDIDACY FOR DEPUTY.

¶9. (C) IN SUBSEQUENT MEETINGS ON THIS ISSUE, DR. SUPACHAI CHANGED HIS RATIONALE FOR CHOOSING PURI FROM HER BEING THE DEFAULT, SINCE AN AMERICAN WAS UNACCEPTABLE TO G-77, TO HER BEING THE BEST CANDIDATE, TO IN THE JANUARY 12 MEETING, HER DOING HER JOB PERFECTLY. END BACKGROUND.

¶10. (C) COMMENT: DR. SUPACHAI IS RUMORED TO BE INTERESTED IN A SECOND TERM AS SECRETARY GENERAL OF UNCTAD BUT TO GET THAT HE NEEDS SUPPORT FROM NOT ONLY SYG BAN BUT ALSO THE GENERAL ASSEMBLY. LAKSHMI PURI'S HUSBAND, HARDEEP SINGH PURI, IS A SECRETARY IN THE INDIAN MINISTRY OF EXTERNAL AFFAIRS AND PURI HAS USED THAT CONNECTION TO PROACTIVELY PROMOTE HER NOMINATION AND THREATEN ANY DELEGATE WHO HAS SPOKEN AGAINST HER NOMINATION. THE INDIAN PRIME MINISTER HAS EXPRESSED SUPPORT FOR PURI TO SYG BAN AND SYG SUPACHAI. THE FINAL

DECISION ON THE POSITION RESTS WITH SG BAN. HOWEVER, BASED ON SUPACHAI'S COMMENTS, EVEN WERE BAN NOT TO BACK PURI THAT WOULD NOT MEAN DAS ANDERSON'S APPOINTMENT BUT RATHER A REOPENING OF THE SEARCH PROCESS, (WHICH WOULD EFFECTIVELY LEAVE PURI IN THE DEPUTY POSITION THROUGH THE END OF SUPACHAI'S TERM THIS AUGUST). END COMMENT.

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